(c) whether it is also a fact that exports in question are susbidised by Government and if so, what are the details thereof; and

(d) what is Government's reaction with regard thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) : (a) to (d) In December, 1993, Canada initiated investigation against alleged dumping and subsidisation of black granite memorials and black granite slabs originating from India. On 22 March, 1994, Can da made a preliminary determination in the investigation and imposed a provisional duty of 89 per cent of the export price or the ex-factory selling price to Canada.

There is no specific subsidy on export of granite. However, the Income Tax Act provides for tax concessions in respect of export earnings.

A final determination in the investigation is yet to be made by Canada

Freezing Value-Based Advance Licences

*319 SHRIMATI RENUKA CHOWDHURY :
SHRI CHIMANBHAI MEHTA :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government recently froze all value based advance licences issued before 14th September, 1993 except those where imports and exports have taken place ;

(b) if so, what are the reasons therefor ;

(c) whether Government had issued Rs. 853 crores of licences to 622 applicants and in all over 1900 licences were issued;

(d) if so, whether out of the 622 applicants, top 50 holders of these licences walked away with Rs. 580 crores ;

(e) if so, whether out of the top 50 holders, barring 5/6 genuine exporters, all other parties are no connected with plastic trade and have fraudulently obtained licences in collusion with officers in the Ministry ;

(f) if so, whether 12 parties in Delhi obtained 259 licences repeatedly, for a total value of Rs. 163 crores and in Calcutta 5 parties obtained 46 licences valued at Rs. 74 crores during April to August, 1993 ; and

(g) if so, what action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) : (a) No Sir, However, the operation of Value based Advance Licences issued prior to 14-9-93 in respect of items brought in the 'Sensitive List' on that date against which neither imports nor exports had taken place till 25-1-94 was suspended on that date.

(b) The above restrictions were placed to prevent excessive import of inputs required for manufacturing export products.

(c) to (g) During 1992-93, 6756 Value Based licences for a cif value of Rs. 3317 crores and an fob value of Rs. 9582 crores were issued, During 1993-94, (upto Dec. 1983). 850 licences for a cif value of Rs. 3765

crores and an fob value of Rs. 8983 crores were issued. Export-Import Policy does not require D.G.F.T. to maintain party-wise statistics. However, the Enforcement cum-Adjudication Division is looking into the cases of alleged misuse of VABAL scheme specially in the Plastic sector. Barring the detection of a few non-existent firms so far no large scale violation has come to light.

Decrease in Export Targets

@*320. SHRI SATYA PRAKASH MALAVIYA : SHRI RAMGOPAL YADAV :

Will the Minister of COMMERCE be pleased to tstate :

(a) what are the reasons for sudden heavy fall in export targets during the last three months of the current financial year and its impact to achieve export targets during 1993-94 ; and

(b) whether any steps have been taken/are likely to be taken by Government to raise and to achieve the estimated export targets during 1993-94 and 1994-95 ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) : (a) The actual exports during the last three months (December—February, 1993-94) latest period for which trade data are available, indicate growth of 21.6% in US $ terms over the corresponding period last year.

The export target for the year 1993-94 is likely to be achieved and the target for 1994-95 is likely to be fixed at a level higher than tha for 1993-94.

(b) In order to increase exports and achieve the targets, the Government have taken major steps for liberalisation of trade which include promotion of export-linked imports, reduction of import licensing, strengthening of export incentives, removal of procedural irritants through simplification of policy and procedures and pruning of negative list of exports. In the Budget, for 1994-95 these measures have been further reinforced by introduction of convertibility of rupee on the current account, reduction in customs and excise duties and rationalisation of their structure etc. Also exporters have been allowed to retain a higher percentage (from 15% to 25%) of their foreign exchange earnings to enable them to avoid conversion cost for making payments for imports. 100% LOUs and those in EPZs as well as units in Electronic Hardware Technology Parks and Software Technology Parks have been all owed to retain further higher percentage (50%) of foreign exchange. Further liberalisation has been made in the EXIM Policy as amended on 30-3-94. Special attention has been paid to the simpliacfition and streamlining of procedural aspects of EXIM Policy, care has been taken to fully protect the interest of small scale industry. the list of imports under the special Import licences has been expanded and a new category of Super Star Trading House introduced. Duty exemption scheme has been further simplified and in order to strengthen our industrial base, some more facilities have been given to indigenous manufacturers besides, the area of activity in EPZs have been broadened by providing for trading, re-export after repacking and lebelling and also repairs, reconditioning and Re-engineering.

@Previously Starred Question 240 transferred from 15th March, 1994.